

HOUSING AUTHORITY OF VINTON
REPORT ON EXAMINATION OF
FINANCIAL STATEMENTS AND SUPPLEMENTAL DATA
TWELVE MONTHS ENDED JUNE 30, 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-31-07

Mike Estes, P.C.
A Professional Accounting Corporation

TABLE OF CONTENTS

	<u>EXHIBIT</u>	<u>PAGE</u>
Independent Auditor's Report		1 – 2
Management's Discussion and Analysis		3 – 10
Basic Financial Statements		
Balance Sheet	A	11
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B	12
Statement of Cash Flows	C	13 – 14
Notes to the Basic Financial Statements		15 – 23
Index		15
Notes to Financial Statements		16 – 23
 <i><u>Other Reports Required by Governmental Auditing Standards</u></i>		
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards		24 – 25
Schedule of Findings and Questioned Costs		26 – 27
Schedule of Management Letter Items		28
 <i><u>Supplementary Information</u></i>		
Statement and Certification of Actual Modernization Cost	E(1)	29
Statement of Modernization Costs – Uncompleted	E(2)	30
Schedule of Expenditures of Federal Awards		31
Notes to the Schedule of Expenditures of Federal Awards		32
Schedule of Prior Management Letter Items		33
Financial Data Schedule		34 – 35

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Independent Auditor's Report

Board of Commissioners
Housing Authority of Vinton
Vinton, Louisiana

We have audited the accompanying financial statements of each major fund of the Housing Authority of Vinton, Louisiana as of and for the year ended June 30, 2006, which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of Vinton, Louisiana's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Housing Authority of Vinton, Louisiana, as of June 30, 2006, and the respective changes in financial position and cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2006, on our consideration of the Housing Authority of Vinton, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Housing Authority of Vinton, Louisiana's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements of the Housing Authority of Vinton, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The accompanying Financial Data Schedules required by HUD and other accompanying information identified in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Mike Estes, P.C.
Fort Worth, Texas
December 19, 2006

HOUSING AUTHORITY OF VINTON, LOUISIANA
REQUIRED SUPPLEMENTAL INFORMATION
MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2006

Housing Authority of Vinton, Louisiana
Management's Discussion and Analysis (MD&A)
June 30, 2006

The management of Public Housing Authority of Vinton, Louisiana presents the following discussion and analysis (MD&A) of the Housing Authority's financial activities for the fiscal year ending June 30, 2006. This represents an overview of financial information. Please read this discussion and analysis in conjunction with the Authority's included audited financial statements.

FINANCIAL HIGHLIGHTS

- The primary source of funding for these activities continues to be subsidies and grants from the Department of Housing and Urban Development (HUD), whereas tenant rentals provide a secondary but also significant source of funding.
- The Housing Authority's assets exceeded its liabilities by \$1,225,247 at the close of the fiscal year ended 2006.
 - Of this amount \$485,001 represents a restriction equal to the net amount invested in land, building, furnishings, leasehold improvements, equipment, and construction in progress.
 - The remainder of \$740,246 of unrestricted assets could be used to meet the Housing Authority's ongoing obligations to citizens and creditors. As a measure of financial strength, this amount equals 161% of the total operating expenses of \$456,983 for the fiscal year 2006, which means the Authority might be able to operate about 37.3 months using the unrestricted assets alone, which compares favorably with 18 months in the prior fiscal year.
- The Housing Authority's total net assets increased by \$243,317, a 25% change from the prior fiscal year 2005. This increase is attributable to significant increases in Federal grants for both operations and capital improvements, described in more detail below.
- The increase in net assets of these funds was accompanied by an increase in unrestricted cash by \$276,588 from fiscal year 2005, primarily due to receipt of \$270,037 of insurance proceeds.
- The Authority spent \$27,505 on capital asset additions and \$16,744 on construction in progress during the current fiscal year.
- These changes led to an increase in total assets by \$243,911 and an increase in total liabilities by \$595. As related measure of financial health, there are still over \$11.65 of current assets covering each dollar of total current and long-term liabilities, which compares unfavorably with \$13.12 covering the prior fiscal year's liabilities.
- The Housing Authority continues to operate without the need for debt borrowing.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A is intended to serve as an introduction to the Housing Authority's basic financial statements. The Housing Authority is a special-purpose government engaged in business-type activities. Accordingly, only fund financial statements are presented as the basic financial statements, comprised of two components: (1) fund financial statements and (2) a series of notes to the financial statements. These provide information about the activities of the Housing Authority as a whole and present a longer-term view of the Housing Authority's finances. This report also contains other supplemental information in addition to the basic financial statements themselves demonstrating how projects funded by HUD have been completed, and whether there are inadequacies in the Authority's internal controls.

Reporting on the Housing Authority as a Whole

One of the most important questions asked about the Authority's finances is, "Is the Housing Authority as a whole better off, or worse off, as a result of the achievements of fiscal year 2006?" The Statement of Net Assets and the Statement of Revenues, Expenses, and Changes in Net Assets report information about the Housing Authority as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Fund Financial Statements

All of the funds of the Housing Authority are reported as proprietary funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Housing Authority, like other enterprises operated by state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Housing Authority's financial statements report its net assets and changes in them. One can think of the Housing Authority's net assets – the difference between assets and liabilities – as one way to measure the Authority's financial health, or financial position. Over time, increases and decreases in the Authority's net assets are one indicator of whether its financial health is improving or deteriorating. One will need to consider other non-financial factors, however, such as the changes in the Authority's occupancy levels or its legal obligations to HUD, to assess the overall health of the Housing Authority.

USING THIS ANNUAL REPORT

The Housing Authority's annual report consists of financial statements that show combined information about the Housing Authority's most significant programs:

- Low Rent Public Housing
- Housing Choice Vouchers
- Public Housing Capital Fund Program

Housing Authority of Vinton, Louisiana
Management's Discussion and Analysis (MD&A)
June 30, 2006

The Housing Authority's auditors provided assurance in their independent auditors' report with which this MD&A is included, that the basic financial statements are fairly stated. The auditors provide varying degrees of assurance regarding the other information included in this report. A user of this report should read the independent auditors' report carefully to determine the level of assurance provided for each of the other parts of this report.

Reporting the Housing Authority's Most Significant Funds

The Housing Authority's financial statements provide detailed information about the most significant funds. Some funds are required to be established by the Department of Housing and Urban Development (HUD). However, the Housing Authority establishes other funds to help it control and manage money for particular purposes, or to show that it is meeting legal responsibilities for using grants and other money.

The Housing Authority's enterprise funds use the following accounting approach for Proprietary funds: All of the Housing Authority's services are reported in enterprise funds. The focus of proprietary funds is on income measurement, which, together with the maintenance of net assets, is an important financial indicator.

FINANCIAL ANALYSIS

The Housing Authority's net assets were \$1,225,247 as of June 30, 2006. Of this amount, \$485,001 was invested in capital assets, and the remaining \$740,246 was unrestricted. No other specific Assets are restricted. Also, there are no other restrictions on general Net Assets.

CONDENSED FINANCIAL STATEMENTS

**Condensed Balance Sheet
As of June 30,**

	<u>2006</u>	<u>2005</u>
ASSETS		
Current assets	\$ 781,843	\$ 507,208
Capital assets, net of depreciation	485,001	515,724
Total assets	<u>1,266,844</u>	<u>1,022,932</u>
LIABILITIES		
Current liabilities	37,634	36,228
Non-current liabilities	3,963	4,774
Total liabilities	<u>41,597</u>	<u>41,002</u>
NET ASSETS		
Invested in capital assets, net of depreciation	485,001	515,724
Unrestricted net assets	<u>740,246</u>	<u>466,206</u>
Total net assets	<u>1,225,247</u>	<u>981,930</u>
Total liabilities and net assets	\$ <u>1,266,844</u>	\$ <u>1,022,932</u>

Housing Authority of Vinton, Louisiana
Management's Discussion and Analysis (MD&A)
June 30, 2006

CONDENSED FINANCIAL STATEMENTS (Continued)

The net assets of these funds increased by \$243,317, or by 25%, from those of fiscal year 2005, as explained below. In the narrative that follows, the detail factors causing this change are discussed:

**Condensed Statement of Revenues, Expenses, and Changes in Fund Net Assets
Fiscal Year Ended June 30,**

	2006	2005
OPERATING REVENUES		
Dwelling rental	\$ 115,909	\$ 108,932
Other	6,080	10,503
Total Operating Revenues	<u>121,989</u>	<u>119,435</u>
OPERATING EXPENSES		
Administration	112,913	119,402
Tenant services	0	241
Utilities	5,348	5,527
Ordinary maintenance & operations	71,442	83,770
General expenses	46,219	45,989
Depreciation	73,616	84,172
Casualty losses – non-capitalized	30,184	0
Housing assistance payments	103,158	117,882
Total Operating Expenses	<u>442,880</u>	<u>456,983</u>
Income (loss) from Operations	<u>(320,891)</u>	<u>(337,548)</u>
Non Operating Revenues (Expenses)		
Interest earnings	17,645	4,733
Federal grants	247,846	280,784
Loss on disposal of assets	200	100
Insurance proceeds	270,037	0
Total Non-Operating Revenues (Expenses)	<u>535,728</u>	<u>285,617</u>
Income (loss) before contribution	<u>214,837</u>	<u>(51,931)</u>
Capital Contribution	<u>28,480</u>	<u>54,499</u>
Change in net assets	<u>243,317</u>	<u>2,568</u>
Total net assets - beginning	<u>981,930</u>	<u>979,362</u>
Total net assets - ending	<u>\$ 1,225,247</u>	<u>\$ 981,930</u>

EXPLANATIONS OF FINANCIAL ANALYSIS

Compared with the prior fiscal year, total operating and non-operating revenues increased \$226,647, or by 49%, from a combination of larger offsetting factors. Reasons for most of this change are listed below in order of impact from greatest to least:

- Federal Capital Funds from HUD decreased by \$26,019, or by 48% from that of the prior fiscal year. The Housing Authority was still in the process of completing projects funded from grants by HUD for fiscal years 2002 through 2005, and submitted a new grant during fiscal year 2007.
- Federal revenues from HUD for operations decreased by \$32,937, or by 12% from that of the prior fiscal year. The determination of operating grants is based in part upon operations performance of prior years. This amount fluctuates from year-to-year because of the complexities of the funding formula HUD employs. Generally, this formula calculates an allowable expense level adjusted for inflation, occupancy, and other factors, then uses this final result as a basis for determining the grant amount. The amount of rent subsidy received from HUD depends upon an eligibility scale of each tenant. There was a decrease in the number of eligible tenants receiving subsidies, so Housing Assistance Grants decreased accordingly, lowering the overall total.
- Total tenant revenue increased by \$7,577, or by 7% from that of the prior fiscal year, due to two major factors: Tenant rental revenues increased by \$6,977, or by 6%, because occupancy rates increased by 91%, and because the amount of rent each tenant pays is based on a sliding scale of their personal income. Some tenants' personal incomes increased, so rent revenue from these tenants increased accordingly, raising the overall total. Finally, other tenant revenues (such as fees collected from tenants for late payment of rent, damages to their units, and other assessments) increased by \$600, or by 0%.
- Total other non-operating revenue increased by \$265,014 from that of the prior fiscal year their revenue increased by \$265,014, or by 2523%, because the Authority received proceeds from casualty insurance claims, which are recorded as other income by the Authority in the year received.
- Interest income increased by \$12,912, or by 273% from that of the prior fiscal year, because unrestricted interest income increased by \$12,912, or by 273%. The Housing Authority transferred \$0 into temporary investments during the current fiscal year.
- Interest income and Tenant revenues totaling \$134,154, did not change significantly from the prior to the current year.

Compared with the prior fiscal year, total operating and non-operating expenses decreased \$12,204, or by 3%, but this also was made up of a combination of offsetting factors. Again, reasons for most of this change are listed below in order of impact from greatest to least:

- Depreciation expense decreased by \$10,555, or by 13% from that of the prior fiscal year, because there was an increase in capital assets by \$44,248.

Housing Authority of Vinton, Louisiana
Management's Discussion and Analysis (MD&A)
June 30, 2006

- Maintenance and repairs decreased by \$12,328, or by 15% from that of the prior fiscal year, due to two major factors: Repair staff wages decreased by \$3,326, or by 12%, and contract labor costs decreased by \$7,873, or by 32%.
- Administrative Expenses decreased by \$6,489, or by 4% from that of the prior fiscal year, due to a combination of offsetting factors: Administrative staff salaries decreased by \$2,835, or by 6%, but staff vacation and sick leave pay increased by \$2,809, or by 105%, and related employee benefit contributions decreased by \$1,328, or by 8%; therefore, total staff salaries and benefit costs decreased by 2%. Staff travel reimbursements increased by \$5,793. Sundry expenses decreased by \$15,293, or by 30%.
- General Expenses increased by \$230, an insignificant amount.
- Utilities Expense decreased by \$179, an insignificant amount.
- Housing Assistance Payments to landlords decreased by \$14,724, or by 12% from that of the prior fiscal year, because there was a decrease in the number of tenants qualifying for subsidy during the year.
- Casualty Losses increased by \$30,184, due to expenditures to repair damages caused by Hurricane Rita.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2006, the Housing Authority had a total cost of \$3,033,220 invested in a broad range of assets and construction in progress from projects funded in 2002 through 2005, listed below. This amount, not including depreciation, represents increases of \$44,248 from the prior year. More detailed information about capital assets appears in the notes to the financial statements.

**Capital Assets, Net of Accumulated Depreciation
As of June 30,**

	<u>2006</u>	<u>2005</u>
Land	\$ 78,100	\$ 78,100
Construction in progress	2,075	27,927
Buildings	294,266	304,282
Leasehold improvements	74,116	85,107
Furniture and equipment	<u>36,445</u>	<u>20,307</u>
Total	<u>485,002</u>	<u>515,723</u>

As of the end of the 2006 fiscal year, the Authority is still in the process of completing HUD grants of \$445,581 obtained during 2003 through 2005 fiscal years. A total remainder of \$194,679 will be received and \$182,125 will be spent for completing these projects during fiscal year 2007.

Debt

Non-current liabilities also include accrued annual vacation and sick leave due to employees. The Housing Authority has not incurred any mortgages, leases, or bond indentures for financing capital assets or operations.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Housing Authority is primarily dependent upon HUD for the funding of operations; therefore, the Housing Authority is affected more by Federal budget than by local economic conditions. The capital budgets for the 2007 fiscal year have already been submitted to HUD for approval and no major changes are expected.

The Capital fund programs are multiple year budgets and have remained relatively stable. Capital Funds are used for the modernization of public housing properties including administrative fees involved in the modernization.

CONTACTING THE HOUSING AUTHORITY'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, investors, and creditors with a general overview of the Housing Authority's finances, and to show the Housing Authority's accountability for the money it receives. If you have questions about this report, or wish to request additional financial information, contact Loretta' Dorsey, at Public Housing Authority of Vinton, Louisiana; P. O. Box 687; Vinton, LA 70668.

HOUSING AUTHORITY OF VINTON
ENTERPRISE FUNDS - BALANCE SHEET
JUNE 30, 2006

	General	Housing Choice Vouchers	Total
ASSETS			
Current assets			
Cash and cash equivalents	\$ 551,161	\$ 123,563	\$ 674,724
Investments	58,485	0	58,485
Accounts receivable net	13,015	0	13,015
Interest receivable	389	0	389
Internal balances	17,867	(17,867)	0
Prepaid items and other assets	26,394	0	26,394
Inventory	2,776	0	2,776
Restricted assets – cash and cash equivalents	6,060	0	6,060
Total Current Assets	676,147	105,696	781,843
Capital Assets, net			
Land	78,099	0	78,099
Buildings, and equipment (net)	404,827	0	404,827
Construction in progress	2,075	0	2,075
Total Capital Assets, net	485,001	0	485,001
Total Assets	\$ 1,161,148	\$ 105,696	\$ 1,266,844
LIABILITIES			
Current Liabilities			
Accounts payable	\$ 14,072	\$ 384	\$ 14,456
Deferred revenue	0	2,464	2,464
Compensated absences payable	2,270	1,268	3,538
Accrued PILOT	11,116	0	11,116
Deposits due others	6,060	0	6,060
Total Current Liabilities	33,518	4,116	37,634
Noncurrent Liabilities			
Compensated absences payable	3,963	0	3,963
Total Liabilities	37,481	4,116	41,597
NET ASSETS			
Invested in capital assets, net of related debt	485,001	0	485,001
Unrestricted	638,666	101,580	740,246
Net Assets	1,123,667	101,580	1,225,247
Total Liabilities and Net Assets	\$ 1,161,148	\$ 105,696	\$ 1,266,844

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF VINTON
ENTERPRISE FUNDS – STATEMENT OF REVENUES,
EXPENSES AND CHANGES IN FUND NET ASSETS
YEAR ENDED JUNE 30, 2006

	General	Housing Choice Voucher	Total
OPERATING REVENUES			
Dwelling rental	\$ 115,909	\$ 0	\$ 115,909
Other	6,080	0	6,080
Total Operating Revenues	<u>121,989</u>	<u>0</u>	<u>121,989</u>
OPERATING EXPENSES			
Administration	96,148	16,765	112,913
Utilities	5,348	0	5,348
Ordinary maintenance & operations	70,686	756	71,442
General expenses	46,219	0	46,219
Depreciation	73,616	0	73,616
Casualty losses – non-capitalized	30,184	0	30,184
Housing assistance payments	0	103,158	103,158
Total Operating Expenses	<u>322,201</u>	<u>120,679</u>	<u>442,880</u>
Income (loss) from Operations	<u>(200,212)</u>	<u>(120,679)</u>	<u>(320,891)</u>
Non Operating Revenues (Expenses)			
Interest earnings	14,181	3,464	17,645
Federal grants	100,074	147,772	247,846
Gain on disposal of assets	200	0	200
Insurance proceeds	270,037	0	270,037
Total Non-Operating Revenues (Expenses)	<u>384,492</u>	<u>151,236</u>	<u>535,728</u>
Income (loss) before contribution	<u>184,280</u>	<u>30,557</u>	<u>214,837</u>
Capital Contribution	<u>28,480</u>	<u>0</u>	<u>28,480</u>
Change in net assets	<u>212,760</u>	<u>30,557</u>	<u>243,317</u>
Total net assets - beginning	<u>910,907</u>	<u>71,023</u>	<u>981,930</u>
Total net assets - ending	<u>\$ 1,123,667</u>	<u>\$ 101,580</u>	<u>\$ 1,225,247</u>

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF VINTON
ENTERPRISE FUNDS – STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2006

	General	Housing Choice Voucher	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Rental receipts	\$ 115,523	\$ 0	\$ 115,523
Other receipts	8,003	421	8,424
Payments to vendors	(172,485)	(6,773)	(179,258)
Payments to employees – net	(83,163)	(12,633)	(95,796)
Payments to private landlords	0	(103,158)	(103,158)
Net cash provided (used) by operating activities	(132,122)	(122,143)	(254,265)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Federal grants	92,732	145,308	238,040
Net cash provided (used) by non- capital financing activities	92,732	145,308	238,040
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Insurance proceeds	270,037	0	270,037
Proceeds from sale of capital assets	(200)	0	(200)
Purchase of capital assets	(41,341)	0	(41,341)
Federal Capital Grants	28,479	0	28,479
Net cash provided (used) by capital and related financing activities	256,975	0	256,975
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of Investments	18,608	0	18,608
Interest income	14,034	3,464	17,498
Net cash provided (used) by investing activities	32,642	3,464	36,106
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	250,227	26,629	276,856
CASH AND CASH EQUIVALENTS Beginning of Fiscal Year	306,995	96,933	403,928
CASH AND CASH EQUIVALENTS End of Fiscal Year	\$ 557,222	\$ 123,562	680,784

Continued

HOUSING AUTHORITY OF VINTON
ENTERPRISE FUNDS – STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2006

	<u>General</u>	<u>Housing Choice Voucher</u>	<u>Total</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (200,212)	\$ (120,680)	\$ (320,892)
Adjustment to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation Expense	73,616	0	73,616
Noncash gain	200	0	200
Provision of uncollectible accounts	149	0	149
Change in assets and liabilities:			
Receivables	(535)	0	(535)
Due from other funds	(5,301)	0	(5,301)
Inventories	(1,950)	0	(1,950)
Prepaid items	(7,912)	0	(7,912)
Account payables	2,576	310	2,886
Accrued expenses	491	157	648
Deferred revenue	(587)	112	(475)
Due to other funds	7,343	(2,042)	5,301
Net cash provided (used) by operations	\$ <u>(132,122)</u>	\$ <u>(122,143)</u>	\$ <u>(254,265)</u>

Concluded

The Notes to the Financial Statements are an integral part of these statements.

HOUSING AUTHORITY OF VINTON
NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

INDEX

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	16
A. REPORTING ENTITY	16
B. FUNDS	17
C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING	17
D. CASH AND CASH EQUIVALENTS	17
E. INVESTMENTS	18
F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES	18
G. INVENTORY	18
H. PREPAID ITEMS	18
I. CAPITAL ASSETS	19
J. DEFERRED REVENUES	19
K. COMPENSATED ABSENCES	19
L. RESTRICTED NET ASSETS	19
M. INTERFUND ACTIVITY	19
N. USE OF ESTIMATES	20
NOTE 2 – DEPOSITS AND INVESTMENTS	20
NOTE 3 – ACCOUNTS RECEIVABLE	20
NOTE 4 – CAPITAL ASSETS	21
NOTE 5 – RETIREMENT SYSTEM	21
NOTE 6 – ACCOUNTS PAYABLE	22
NOTE 7 – COMMITMENTS AND CONTINGENCIES	22
NOTE 8 – INTERFUND RECEIVABLES AND PAYABLES	22
NOTE 9 – COMPENSATED ABSENCES	22
NOTE 10 – LONG – TERM OBLIGATIONS	23
NOTE 11 – INTERPROGRAM TRANSFERS	23
NOTE 12 – ECONOMIC DEPENDENCE	23
NOTE 13 – SUBSEQUENT EVENTS	23

HOUSING AUTHORITY OF VINTON
NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES The accompanying financial statements of the Housing Authority of Vinton have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY Housing Authorities are chartered as public corporations under the laws (LSA – R.S. 40.391) of the state of Louisiana for the purpose of providing safe and sanitary dwellings accommodations. This creation was contingent upon the local governing body of the city or parish declaring a need for the Housing Authority to function in such city or parish. The Housing Authority is governed by a five member Board of Commissioners. The members, appointed by the Honorable Mayor of Vinton, serve staggered multi-year terms.

The Housing Authority has the following units:

Program	Contract Number	Number Of Units
PHA owned housing	FW-588	68
Section 8 Housing Choice Voucher	LA-046VO	50

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Housing Authority is considered a primary government, since it is a special purpose government that has a separate governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement 14, fiscally independent means that the Housing Authority may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt with HUD approval.

The Housing Authority is a related organization of the Town of Vinton since the Town of Vinton appoints a voting majority of the Housing Authority's governing board. The Town of Vinton is not financially accountable for the Housing Authority as it cannot impose its will on the Housing Authority and there is no potential for the Housing Authority to provide financial benefit to, or impose financial burdens on, the Town of Vinton. Accordingly, the Housing Authority is not a component unit of the financial reporting entity of the Town of Vinton.

Governmental Accounting Standards Board (GASB) Codification Section 2100 establishes criteria for determining which, if any, component units should be considered part of the Housing Authority for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability, which includes:

HOUSING AUTHORITY OF VINTON
NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

1. Appointing a voting majority of an organization's governing body, and:
 - a. The ability of the Housing Authority to impose its will on that organization's body, and;
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Housing Authority.
2. Organizations for which the Housing Authority does not appoint a voting majority but are fiscally dependent on the Housing authority.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the Housing Authority has determined that there are no component units that should be considered as part of the Housing Authority reporting entity.

B. FUNDS The accounts of the Housing Authority are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

PROPRIETARY FUNDS Proprietary funds are accounted for on the flow of economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. The Housing Authority has elected, pursuant to GASB Statement No. 20, to apply all GASB pronouncements and only FASB pronouncements issued before November 30, 1989.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary funds' principal ongoing operations. The principal operating revenues of the Housing Authority's funds are rent and maintenance charges to residents and administration fees earned. Operating expenses for proprietary funds include the administrative costs of providing the service and the housing assistance payments to landlords. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

D. CASH AND CASH EQUIVALENTS Cash equivalents include amounts in demand deposits and interest-bearing demand deposits. Cash equivalents include amounts in time deposits, of less than ninety days, and cash with fiscal agent. Under state law, the Housing Authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

HOUSING AUTHORITY OF VINTON
NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

E. INVESTMENTS Investments are limited by R.S. 33:2955 and the Housing Authority's investment policy. If the original maturities of investments exceed 90 days they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The investments are reflected at quoted market prices except for the following which are required/permitted as per GASB Statement No. 31:

Investments in nonparticipating interest-earning contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider markets rates, are reported using a cost-based measure.

The Housing Authority reported at amortized cost money market investments participating interest-earning investment contracts that have a remaining maturity at time of purchase of one year or less.

Definitions:

Interest-earning investment contract include time deposits with financial institutions (such as certificates of deposit), repurchase agreements, and guaranteed investment contracts.

Money market investments are short-term, highly liquid debt instruments that include U.S. Treasury obligations.

F. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES During the course of operations, numerous transactions occur between individual funds for services rendered. These receivables and payables are classified as due from other funds or due to other funds on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

G. INVENTORY All purchased inventory items are valued at cost using first-in, first-out method. Acquisition of materials and supplies are accounted for on the consumption method, that is, the expenses are charged when the items are consumed.

H. PREPAID ITEMS Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

HOUSING AUTHORITY OF VINTON
NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

I. CAPITAL ASSETS Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). The capitalization threshold is \$500. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management's estimate of how long the asset is expected to meet service demand. Straight-line depreciation is used based on the following estimated useful lives:

Site improvements	15 years
Buildings	33 years
Building improvements	15 years
Furniture and fixtures	5 to 7 years
Computers	3 years

J. DEFERRED REVENUES The Housing Authority reports deferred revenues on its balance sheet. Deferred revenues arise when resources are received by the Housing Authority before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when the Housing Authority has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and the revenue is recognized.

K. COMPENSATED ABSENCES The Housing Authority follows Louisiana Civil Service regulations for accumulated annual and sick leave. Employees may accumulate up to three hundred hours of annual leave which may be received upon termination or retirement. Sick leave hours accumulate, but the employee is not paid for them if not used by his/her retirement or termination date.

L. RESTRICTED NET ASSETS Net assets are reported as restricted when constraints placed on net asset use are either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Restricted resources are used first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

M. INTERFUND ACTIVITY Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate. Services provided, deemed to be at market or near market rates, are treated as revenues and expenses.

Reimbursements are when one fund incurs cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

HOUSING AUTHORITY OF VINTON
NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

N. USE OF ESTIMATES The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

NOTE 2 – DEPOSITS AND INVESTMENTS According to the Authority's policy, deposits and investments are limited to those allowed per state statute for the state's political subdivisions. The Authority's investments are in Certificates of Deposits and a Savings account. Investments are stated at cost, which approximates fair value.

Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 2006, the Housing Authority's carrying amount of deposits and investments was \$739,269 and the deposits and investments balance was \$749,470.

Custodial Credit Risk: This is the risk that in the event of bank failure, the Authority's deposits may not be returned to it. \$100,000 of the Authority's total deposits and investments were covered by federal depository insurance, and do not have custodial credit risk. The remaining \$649,470 of deposits and investments have custodial credit risk, but were collateralized with securities held by the pledging financial institution trust department or agent, but not in the Housing Authority's name.

Credit Rate Risk: Since the Authority's deposits and investments are Certificates of Deposits and a Savings account, the Authority does not have credit rate risk.

NOTE 3 – ACCOUNTS RECEIVABLE The receivables at June 30, 2006, are as follows:

<u>Class of Receivables</u>	<u>General</u>
Local sources:	
Tenants	\$ 461
Federal sources:	
Grants	12,554
Total	\$ 13,015

The tenants account receivable is net of an allowance for doubtful accounts of \$149.

HOUSING AUTHORITY OF VINTON
NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

NOTE 4 – CAPITAL ASSETS The changes in capital assets are as follows:

	Balance 6/30/05	Additions	Deletions	Balance 6/30/06
Land	\$ 78,099	\$ 0	\$ 0	\$ 78,099
Buildings	2,779,499	43,726	0	2,823,225
Furniture and equipment	106,046	27,204	1,354	131,896
Construction in progress	30,111	0	28,036	2,075
Total	2,993,755	70,930	29,390	3,035,295
Less: accumulated depreciation				
Buildings	2,381,704	61,358	0	2,443,062
Furniture and equipment	96,327	12,259	1,354	107,232
Total	2,478,031	73,617	1,354	2,550,294
Fixed assets, net	\$ 515,724	\$ 2,687	\$ 28,036	\$ 485,001

NOTE 5 – RETIREMENT SYSTEM The Housing Authority participates in the Housing – Renewal and Local Agency Retirement Plan, administered by Broussard, Bush & Hurst, which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through this plan, the Housing Authority provides pension benefits for all of its full-time employees. All regular and full-time employees are eligible to participate in the plan on the first day of the month after completing one month of continuous and uninterrupted employment. Plan provisions and changes to plan contributions are determined by the Board of the Housing Authority.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The employer is required to make monthly contributions equal to 14.5% percent of each participant's basic (excludes overtime) compensation. This payment represents a 6% contribution by the employee, and a 8.5% contribution by the Housing Authority.

The Housing Authority's contribution for each employee and income allocated to the employee's account are fully vested after five years of continuous service. Housing Authority's contributions and interest forfeited by employees who leave employment before five years of service are used to offset future contributions of the Housing Authority. Normal retirement date shall be the first day of the month following the employee's 65th birthday or after 10 years of participation in the plan.

The Housing Authority made the required contributions of \$8,909 for the year ended June 30, 2006, of which \$4,866 was paid by the Housing Authority and \$4,043 was paid by employees. No payments were made out of the forfeiture account.

HOUSING AUTHORITY OF VINTON
NOTES TO THE BASIC FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2006

NOTE 6 – ACCOUNTS PAYABLE The payables at June 30, 2006 are as follows:

	General	Housing Choice Voucher Fund	Total
Vendors	\$ 12,924	\$ 310	\$ 13,234
Payroll taxes & Retirement withheld	1,148	74	1,222
Total	\$ 14,072	\$ 384	\$ 14,456

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Litigation The Housing Authority is not presently involved in litigation.

Grant Disallowances The Housing Authority participates in a number of federally assisted grant programs. The programs are periodically subject to compliance audits under the single audit approach. Such audits could lead to requests for reimbursement by the grantor agency for expenditures disallowed under terms of the grants. Housing Authority management believes that the amount of disallowance, if any, which may arise from future audits will not be material.

Construction Projects There are certain renovation or construction projects in progress at June 30, 2006. These include modernizing rental units. These projects are being funded by HUD. Funds are requested periodically as the cost is incurred.

Risk Management The Housing Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Housing Authority carries commercial insurance.

NOTE 8 – INTERFUND RECEIVABLES / PAYABLES Interfund receivables / payables at June 30, 2006 are as follows:

\$17,867 is owed to the Low Rent program by the Section 8 program. This is for various expenses not reimbursed by June 30, 3006.

NOTE 9 – COMPENSATED ABSENCES At June 30, 2006, employees of the Housing Authority have accumulated and vested \$7,501 of employee leave computed in accordance with GASB, Codification Section C60.

**HOUSING AUTHORITY OF VINTON
NOTES TO THE BASIC FINANCIAL STATEMENTS**

YEAR ENDED JUNE 30, 2006

NOTE 10 – LONG – TERM OBLIGATIONS The following is a summary of the long – term obligation transactions for the year ended June 30, 2006.

	<u>Compensated Absences</u>
Balance, beginning	\$ 7,363
Additions	138
Deductions	0
Balance, ending	<u>7,501</u>
Amounts due in one year	<u>\$ 3,538</u>

NOTE 11 – INTERPROGRAM TRANSFERS Interprogram transfers for the year June 30, 2006 consists of the following:

Transfer To

Transfer From

Low Rent

Capital Fund

The Capital Grant Transferred \$27,422 of net capital costs on closed programs to the Low Rent program.

NOTE 12 – ECONOMIC DEPENDENCE The Department of Housing and Urban Development provided \$276,326 to the Housing Authority, which represents approximately 40% of the Housing Authority's total revenue and capital contributions for the year.

NOTE 13 – SUBSEQUENT EVENTS After year end, the PHA contracted for substantial repairs caused by Hurricane Rita. At December 19, 2006, approximately \$235,000 has been obligated. This was principally to replace roofs and for tree removal. The PHA anticipates additional repairs will be necessary. \$270,000 of insurance proceeds, as a result of Hurricane Rita damage claims, was received before year end.

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MEMBER OF THE
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
and the
AICPA GOVERNMENTAL
AUDIT QUALITY CENTER

Report on Internal Control Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Government Auditing Standards*

Housing Authority of Vinton
Vinton, Louisiana

We have audited the financial statements of each major fund of the Housing Authority of Vinton, Louisiana as of and for the year ended June 30, 2006, which collectively comprise the Housing Authority of Vinton, Louisiana's, basic financial statements and have issued our report thereon dated December 19, 2006. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of Vinton, Louisiana's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Housing Authority of Vinton's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of the Housing Authority of Vinton in a separate letter dated December 19, 2006.

This report is intended solely for the information and use of management, federal awarding agencies, the Louisiana Legislative Auditor, and pass-through entities and is not intended to be and should not be used by anyone other than the specified parties.

Mike Estes, P. C.
Fort Worth, Texas
December 19, 2006

HOUSING AUTHORITY OF VINTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2006

Section I – Summary of the Auditor's Results

Financial Statement Audit

- i. The type of audit report issued was unqualified.
- ii. There were no reportable conditions required to be disclosed by Government Auditing Standards issued by the Comptroller General of the United States.
- iii. There were no instances of noncompliance considered material, as defined by the Government Auditing Standards to the financial statements.

HOUSING AUTHORITY OF VINTON
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2006

Section II – Findings related to the financial statements which are required to be reported in accordance with Governmental Auditing Standards generally accepted in the United States of America:

None

HOUSING AUTHORITY OF VINTON
SCHEDULE OF MANAGEMENT LETTER ITEMS

YEAR ENDED JUNE 30, 2006

To Management and the Board of Commissioners:

In planning and performing our audit of the financial statements of the Housing Authority of Vinton for the year ended June 30, 2006, we considered the Authority's internal controls in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal controls.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum contained in this letter summarizes our comments and suggestions regarding those matters. (We have also reported on the Authority's internal control in our report dated December 19, 2006.) This letter does not affect our report dated December 19, 2006 on the financial statements of the Housing Authority of Vinton.

We will review the status of these comments during our next audit engagement. We have already discussed these comments and suggestions with various authority personnel, and we will be pleased to discuss them in further detail at your convenience, to perform additional study of these matters, or to assist you in implementing the recommendations.

Our recommendations are as follows:

06 MI – Investments Need to Be-Re-Positioned

We noted that the PHA kept an average of approximately \$384,000 in the General Fund, and an average of approximately \$109,000 in the Section 8 fund. A large portion of the General Fund was insurance proceeds that will be expended. In addition, we note that approximately \$59,000 was kept in Certificate of Deposits.

However, a larger portion of the checking cash should have been kept in Certificates of Deposit. The PHA would have earned additional interest. The PHA can invest the excess cash in multiple Certificates of Deposit, with perhaps staggered maturities.

06 MI – Corrective Action Plan - Response

I am Loretta Dorsey, Executive Director and Designated Person to answer this audit finding. We will review our present cash position and invest excess cash, as the auditor suggests.

SUPPLEMENTARY INFORMATION

HOUSING AUTHORITY OF VINTON
STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COST
ANNUAL CONTRIBUTION CONTRACT

YEAR ENDED JUNE 30, 2006

CASH BASIS

		2002 Capital Fund
Funds approved	\$	111,986
Funds expended		111,986
Excess of funds approved	\$	<u>0</u>
 Funds advanced	 \$	 style="text-align: right;">111,986
Funds expended		111,986
Excess of funds advanced	\$	<u>0</u>

1. The Actual Modernization Costs are as follows:
2. The distribution of costs by project as shown on the Final Statement of Modernization Cost dated June 30, 2006 accompanying the Actual Modernization Costs Certificate submitted to HUD for approval is in agreement with the PHA's records.
3. All modernization costs have been paid and all related liabilities have been discharged through payment.

See accountants' report

HOUSING AUTHORITY OF VINTON
STATEMENT OF MODERNIZATION COST – UNCOMPLETED

YEAR ENDED JUNE 30, 2006

CASH BASIS

	2003 Capital Fund		2004 Capital Fund		2005 Capital Fund
Funds approved	\$ 86,942	\$	101,739	\$	96,331
Funds expended	<u>86,942</u>		<u>14,935</u>		<u>1,010</u>
Excess of funds approved	<u>\$ 0</u>	\$	<u>86,804</u>	\$	<u>95,321</u>
Funds advanced	\$ 84,851	\$	5,482	\$	0
Funds expended	<u>86,942</u>		<u>14,935</u>		<u>1,010</u>
Excess of funds expended	<u>\$ (2,091)</u>	\$	<u>(9,453)</u>	\$	<u>(1,010)</u>

See accountants' report

HOUSING AUTHORITY OF VINTON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2006

FEDERAL GRANTOR PROGRAM TITLE	CDFA NO.	PROGRAM EXPENDITURES
U. S. Department of Housing and Urban Development Direct Programs:		
Low-Income Housing Operating Subsidy	14.850	\$ 77,122
Housing Choice Voucher	14.871	147,772
Public Housing Capital Fund	14.872	51,432
Total United States Department of Housing and Urban Development		\$ 276,326
Total Expenditures of Federal Awards		\$ 276,326

HOUSING AUTHORITY OF VINTON
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2006

NOTE 1 – GENERAL The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards programs of the Housing Authority of Vinton, Louisiana (the "Housing Authority"). The Housing Authority reporting entity is defined in note 1(A) to the Housing Authority's basic financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the schedule.

NOTE 2 – BASIS OF ACCOUNTING The accompanying Schedule of Expenditures of Federal Awards is presented using the accrual basis of accounting, which is described in note 1(C) to the Housing Authority's basic financial statements.

NOTE 3 – RELATIONSHIP TO BASIC FINANCIAL STATEMENTS Federal awards revenues are reported in the Housing Authority's basic financial statements as follows:

		Federal Sources
General	\$	128,554
Section 8 Housing Choice Vouchers		147,772
Total	\$	276,326

NOTE 4 – RELATIONSHIP TO FEDERAL FINANCIAL REPORTS Amounts reported in the accompanying schedule agree with the amounts reported in the related federal financial reports except for changes made to reflect amounts in accordance with generally accepted accounting principles.

HOUSING AUTHORITY OF VINTON
SCHEDULE OF PRIOR MANAGEMENT LETTER ITEMS

YEAR ENDED JUNE 30, 2006

The following prior year management letter items were made for a GAO, Yellow Book audit:

05 01 MI – Financial Statements

The auditors recommended that the Board, at their regular meetings, review the most recent unaudited, year to date financials. They recommended that the Board's review be documented.

This recommendation is not repeated in this audit. We are currently doing this.

05 02 MI – Section 8 Rent Reasonableness

The auditors noted that the PHA should list the addresses of comparable units the PHA relies on, when it documents its Section 8 rent reasonableness.

This recommendation is not repeated in this audit. We are currently doing this.

**HOUSING AUTHORITY OF VINTON
FINANCIAL DATA SCHEDULE**

YEAR ENDED JUNE 30, 2006

PHA: LA046 FYED: 06/30/2006

Line Item No.	Account Description	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
111	Cash - Unrestricted	\$551,161	\$123,563	\$0	\$674,724
114	Cash - Tenant Security Deposits	\$6,060	\$0	\$0	\$6,060
100	Total Cash	\$557,221	\$123,563	\$0	\$680,784
122	Accounts Receivable - HUD Other Projects	\$0	\$0	\$12,554	\$12,554
126	Accounts Receivable - Tenants - Dwelling Rents	\$810	\$0	\$0	\$810
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$-149	\$0	\$0	\$-149
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0
129	Accrued Interest Receivable	\$389	\$0	\$0	\$389
120	Total Receivables, net of allowances for doubtful accounts	\$850	\$0	\$12,554	\$13,404
131	Investments - Unrestricted	\$58,485	\$0	\$0	\$58,485
142	Prepaid Expenses and Other Assets	\$26,394	\$0	\$0	\$26,394
143	Inventories	\$2,776	\$0	\$0	\$2,776
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0
144	Interprogram Due From	\$30,421	\$0	\$0	\$30,421
150	Total Current Assets	\$676,147	\$123,563	\$12,554	\$812,264
161	Land	\$78,099	\$0	\$0	\$78,099
162	Buildings	\$2,084,036	\$0	\$38,637	\$2,122,673
163	Furniture, Equipment & Machinery - Dwellings	\$39,016	\$0	\$14,386	\$53,402
164	Furniture, Equipment & Machinery - Administration	\$70,805	\$0	\$7,989	\$78,794
165	Leasehold Improvements	\$696,159	\$0	\$4,093	\$700,252
166	Accumulated Depreciation	\$-2,541,548	\$0	\$-8,746	\$-2,550,294
167	Construction In Progress	\$0	\$0	\$2,075	\$2,075
160	Total Fixed Assets, Net of Accumulated Depreciation	\$426,567	\$0	\$58,434	\$485,001
180	Total Non-Current Assets	\$426,567	\$0	\$58,434	\$485,001
190	Total Assets	\$1,102,714	\$123,563	\$70,988	\$1,297,265

PHA: LA046 FYED: 06/30/2006

Line Item No.	Account Description	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
312	Accounts Payable <= 90 Days	\$12,924	\$310	\$0	\$13,234
321	Accrued Wage/Payroll Taxes Payable	\$1,148	\$74	\$0	\$1,222
322	Accrued Compensated Absences - Current Portion	\$2,270	\$1,268	\$0	\$3,538
333	Accounts Payable - Other Government	\$11,116	\$0	\$0	\$11,116
341	Tenant Security Deposits	\$6,060	\$0	\$0	\$6,060
342	Deferred Revenues	\$0	\$2,464	\$0	\$2,464
347	Interprogram Due To	\$0	\$17,867	\$12,554	\$30,421
310	Total Current Liabilities	\$33,518	\$21,983	\$12,554	\$68,055
354	Accrued Compensated Absences - Non Current	\$3,963	\$0	\$0	\$3,963
350	Total Noncurrent Liabilities	\$3,963	\$0	\$0	\$3,963
300	Total Liabilities	\$37,481	\$21,983	\$12,554	\$72,018
508	Total Contributed Capital	\$0	\$0	\$0	\$0
508.1	Invested in Capital Assets, Net of Related Debt	\$426,567	\$0	\$58,434	\$485,001
511	Total Reserved Fund Balance	\$0	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$0	\$0	\$0
512.1	Unrestricted Net Assets	\$638,686	\$101,580	\$0	\$740,246
513	Total Equity/Net Assets	\$1,065,233	\$101,580	\$58,434	\$1,225,247
600	Total Liabilities and Equity/Net Assets	\$1,102,714	\$123,563	\$70,988	\$1,297,265

**HOUSING AUTHORITY OF VINTON
FINANCIAL DATA SCHEDULE**

YEAR ENDED JUNE 30, 2006

PHA: LA046 FYED: 06/30/2006

Line Item No.	Account Description	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
703	Net Tenant Rental Revenue	\$115,909	\$0	\$0	\$115,909
704	Tenant Revenue - Other	\$600	\$0	\$0	\$600
705	Total Tenant Revenue	\$116,509	\$0	\$0	\$116,509
706	HUD PHA Operating Grants	\$77,122	\$147,772	\$22,952	\$247,846
706.1	Capital Grants	\$0	\$0	\$28,480	\$28,480
711	Investment Income - Unrestricted	\$14,181	\$3,464	\$0	\$17,645
715	Other Revenue	\$275,517	\$0	\$0	\$275,517
716	Gain/Loss on Sale of Fixed Assets	\$200	\$0	\$0	\$200
700	Total Revenue	\$483,529	\$151,236	\$51,432	\$686,197

PHA: LA046 FYED: 06/30/2006

Line Item No.	Account Description	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
911	Administrative Salaries	\$35,007	\$11,807	\$0	\$46,814
912	Auditing Fees	\$7,000	\$0	\$0	\$7,000
914	Compensated Absences	\$137	\$0	\$0	\$137
915	Employee Benefit Contributions - Administrative	\$13,534	\$1,183	\$0	\$14,717
916	Other Operating - Administrative	\$24,422	\$3,975	\$16,048	\$44,445
931	Water	\$230	\$0	\$0	\$230
932	Electricity	\$4,434	\$0	\$0	\$4,434
933	Gas	\$453	\$0	\$0	\$453
938	Other Utilities Expense	\$231	\$0	\$0	\$231
941	Ordinary Maintenance and Operations - Labor	\$25,224	\$0	\$0	\$25,224
942	Ordinary Maintenance and Operations - Materials and Other	\$14,106	\$14	\$5,324	\$19,444
943	Ordinary Maintenance and Operations - Contract Costs	\$14,699	\$742	\$1,581	\$17,022
945	Employee Benefit Contributions - Ordinary Maintenance	\$9,752	\$0	\$0	\$9,752
961	Insurance Premiums	\$31,500	\$0	\$0	\$31,500
963	Payments in Lieu of Taxes	\$11,116	\$0	\$0	\$11,116
964	Bad Debt - Tenant Rents	\$3,603	\$0	\$0	\$3,603
969	Total Operating Expenses	\$195,448	\$17,521	\$22,953	\$235,922
970	Excess Operating Revenue over Operating Expenses	\$288,081	\$133,715	\$28,479	\$450,275
972	Casualty Losses - Non-Capitalized	\$30,184	\$0	\$0	\$30,184
973	Housing Assistance Payments	\$0	\$103,158	\$0	\$103,158
974	Depreciation Expense	\$68,119	\$0	\$5,497	\$73,616
900	Total Expenses	\$293,751	\$120,679	\$28,450	\$442,880
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$189,778	\$30,557	\$22,982	\$243,317

PHA: LA046 FYED: 06/30/2006

Line Item No.	Account Description	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	Total
1102	Debt Principal Payments - Enterprise Funds	\$0	\$0	\$0	\$0
1103	Beginning Equity	\$848,033	\$71,023	\$62,874	\$981,930
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$27,422	\$0	\$-27,422	\$0
1113	Maximum Annual Contributions Commitment (Per ACC)	\$0	\$19,952	\$0	\$19,952
1114	Prorata Maximum Annual Contributions Applicable to a Period of less than Twelve Months	\$0	\$0	\$0	\$0
1115	Contingency Reserve, ACC Program Reserve	\$0	\$28,187	\$0	\$28,187
1116	Total Annual Contributions Available	\$0	\$48,139	\$0	\$48,139
1120	Unit Months Available	779	600	0	1,379
1121	Number of Unit Months Leased	733	460	0	1,193